

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

RHONALD COLEMAN BEVERLY

COMPLAINANT

VS.

HENRY COUNTY WATER DISTRICT NO. 2

DEFENDANT

CASE NO. 93-220

O R D E R

On June 21, 1993, Rhonald Coleman Beverly filed a formal complaint with the Commission asserting that Henry County Water District No. 2 ("Henry County") would not make a mainline water extension to serve his home under the same conditions and for the same cost that other extensions were made to county residents. Henry County filed its answer on July 9, 1993 arguing that Mr. Beverly was not entitled to the relief sought in the complaint and seeking dismissal of Mr. Beverly's complaint.

After discovery and an informal conference, a hearing was held on September 17, 1993. Both parties appeared and Henry County was represented by counsel.

DISCUSSION

Henry County presently provides water service to customers in the area of the county where Mr. Beverly's property is located. Mr. Beverly owns a tract of land between Albert Moore Road and

Carter Road. Mr. Beverly's residence is adjacent to the Albert Moore Road.

Henry County has a water line from Ky. 561 north on Harpers Ferry-Lockport Road and extending west on Carter Road ("Harpers Ferry extension"). A two-tenths mile extension exists from Carter Road down the Kings Palace Road. The Kings Palace Road extension appears to be closer to Mr. Beverly's property line than any of Henry County's other distribution facilities.

Mr. Beverly has requested that Henry County construct an extension to serve his property from the existing Harpers Ferry extension to his property line on Albert Moore Road. Mr. Beverly estimates the distance from Albert Moore Road to his property line to be 1.6 miles, or 8,448 feet. (Henry County based its cost estimate on 10,500 feet; for illustration, the shorter distance is used.) Mr. Beverly asserts that the 1.6 mile extension to serve his property should be made for the same customer contribution as the Harpers Ferry extension.

According to Henry County, the Harpers Ferry extension is 5 miles long and serves 27 customers. Henry County's practice has been to offer mainline extensions and share equally in the cost on any extension where there is a density of at least five customers per mile. The Harpers Ferry extension cost \$58,080. The five customer per mile requirement having been met, Henry County contributed \$29,040 and the customers each contributed \$1,075.56 plus Henry County's tariffed tap-on fee of \$350.

Mr. Beverly asks the Commission to direct Henry County to make his extension of 1.6 miles for \$1075.56. Henry County has calculated the construction cost for Mr. Beverly's extension at \$3.00 per foot, making the total cost of an 8,448 foot extension \$25,344. If there were a minimum of five customers per mile, Henry County would pay half and the customers would share the remainder of the cost (less \$3.00 x 50 feet per customer as required by 807 KAR 5:006, Section 12). The record reflects that only five potential customers own property on Albert Moore Road. To qualify for the 50 percent contribution, a minimum of 8 customers must agree to take water service.

Notwithstanding Henry County's five customer per mile requirement, Commission Regulation 807 KAR 5:006, Section 12, requires that each extension "stand alone." Under existing regulations, Mr. Beverly's extension costs must be calculated separately from the costs associated with the Harpers Ferry extension. Under either Commission regulations or Henry County's extension tariff, Mr. Beverly is required to pay no more than any other customer on the Albert Moore Road, but he is not entitled to an extension for the same price paid by customers on the Harpers Ferry extension.

After consideration of the record and being otherwise sufficiently advised, the Commission finds that Mr. Beverly is not entitled to the relief requested in his complaint. Mr. Beverly is entitled to obtain water service at a cost calculated under 807 KAR 5:006, Section 12, provided he (and any other applicant on Albert

Moore Road) pays the entire cost of the extension less the cost of 50 feet per applicant.

An alternate method exists for Mr. Beverly to obtain water from Henry County. As part of the Harpers Ferry extension, a small extension of two-tenths mile was made on what is currently known as the Kings Palace Road. Mr. Beverly could obtain water service from Kings Palace Road on the "back" side of his property. The only charge would be the tap-on fee of \$350.00 or the cost of setting the meter. This alternative may not be as convenient to Mr. Beverly as the meter would be at the opposite end of his property from his residence. However, Mr. Beverly could have an appropriately sized service line extended from the meter to his residence. While this method of service may not be as convenient as water service from the Albert Moore Road, it would be considerably cheaper.

The cost of either extension described above should stand on its own and should not be affected by the cost of any prior or future extension. We find no evidence of discrimination by Henry County in making its water line extensions.

IT IS THEREFORE ORDERED that Mr. Beverly's complaint is dismissed.

Done at Frankfort, Kentucky, this 26th day of January, 1994.

PUBLIC SERVICE COMMISSION


Chairman


Vice Chairman


Commissioner

ATTEST:


Executive Director